

Commitment to Sustainability

Walmart Logistics

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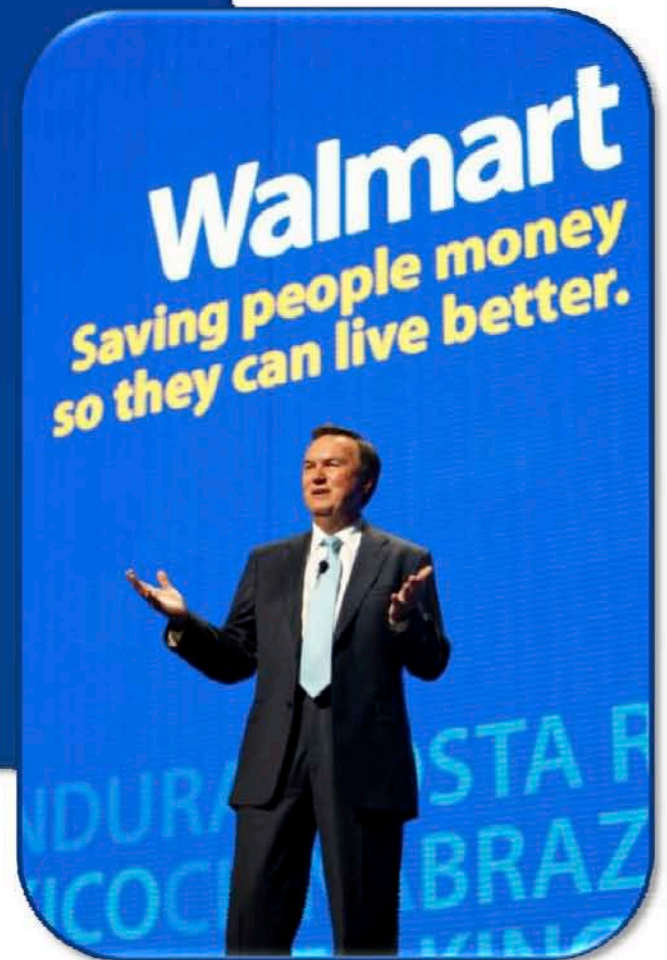
“When I became CEO last year, I said that we would “broaden and accelerate” our commitment to sustainability at Walmart. By that, I meant we would make sustainability a priority throughout our entire company and we would act with a sense of urgency.”

Mike Duke

President and CEO

Walmart

Walmart Global Sustainability Report, 2010



Walmart's Aspirational Sustainability Goals



**To be supplied 100%
by renewable energy**



To create zero waste



**To sell products that sustain
people and the environment**

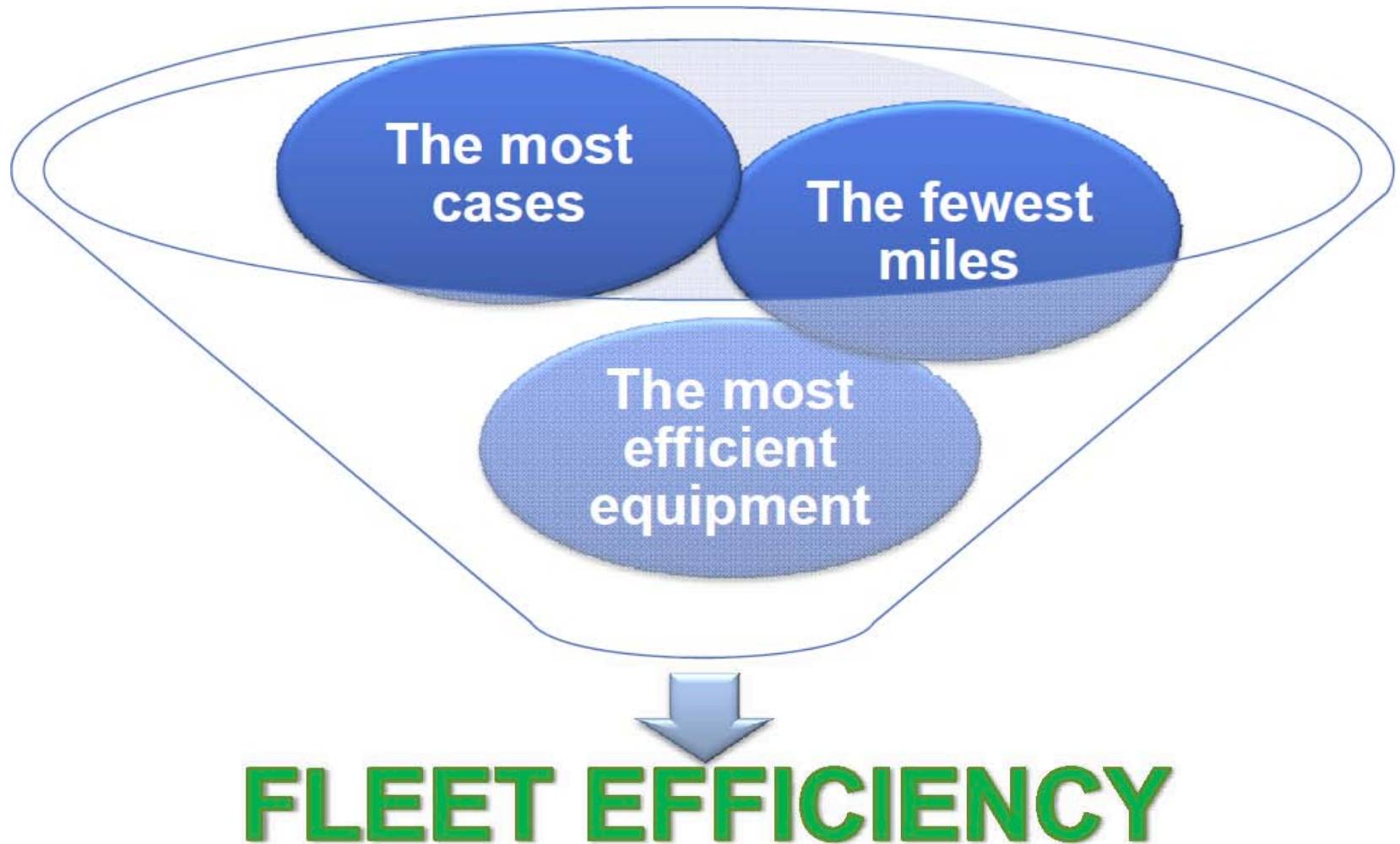
Transportation Network Goals

- **Achieve a 25 percent increase in fleet efficiency in the U.S. by October 2008**
 - Completed and reached 38%
- **Double fleet efficiency in the U.S by 2015**
 - Measured as cases shipped per gallon burned
- **Increase use of alternative fuels**
 - Life cycle assessment
 - MPG & maintenance effects
 - Decrease emissions
 - No food sources



Walmart Fleet Efficiency Defined

Walmart Fleet Efficiency = Cases shipped / Gallon Burned
= Cases shipped / (Miles/MPG)



Doing More with Less

Fill the trailer

- Improve Packaging
- More efficient loading
- Delivery Schedules

Improve Routing

- Ensure full trailers
- Drive shorter, safer and smarter routes
- Reduce out of route excess mileage

Reduce Empty Mileage

- Increase vendor backhauls
- Integrate into the grocery business
- Optimize network design

Deploy Innovative Technology

- Enhance dispatching tools
- Gain metrics visibility through dashboards
- Deploy network optimization software

Straight (26 pallets)

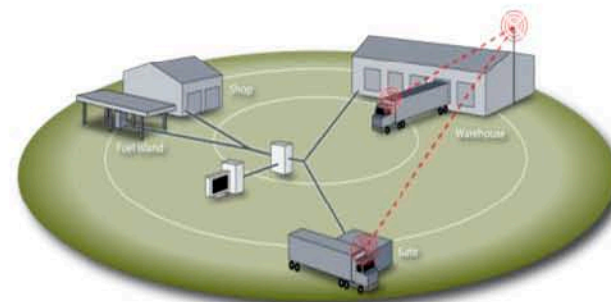
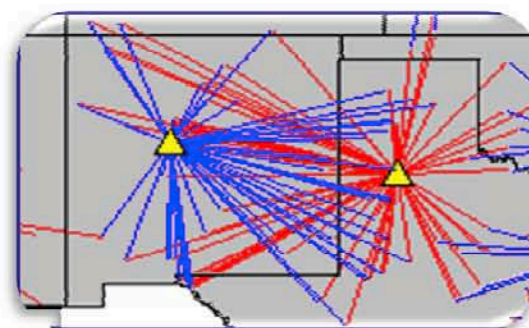
S	S	S	S	S	S	S	S	S	S	S	S	S
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2007

100% Turned (30 pallets)

T	T	T	T	T	T	T	T	T	T	T	T	T
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2009



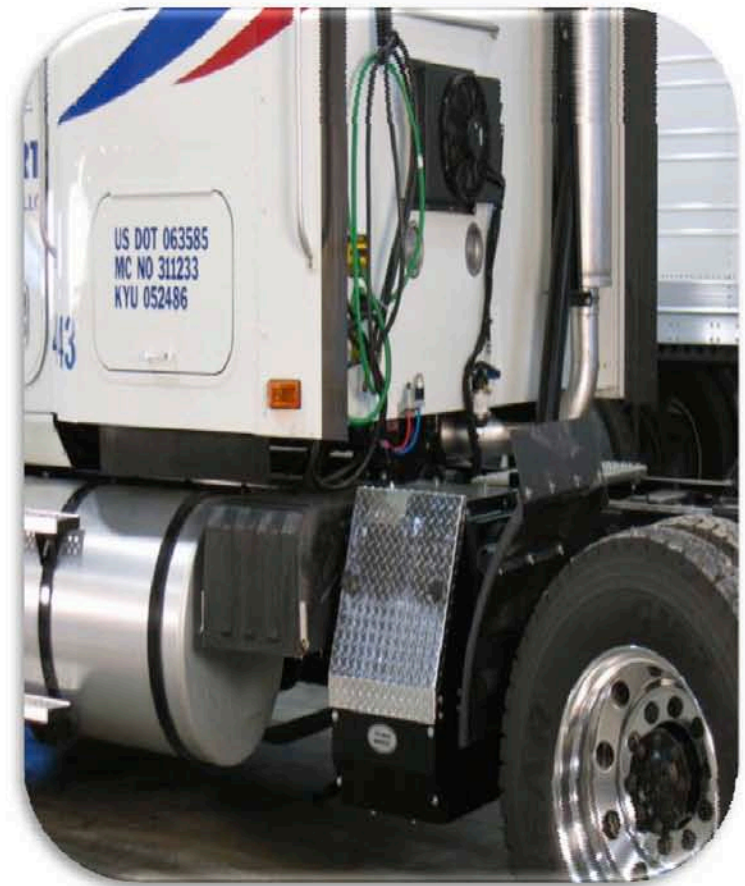
Fuel Economy / MPG

The Basics

- Engine calibration
- Driver training
- Speed governors
- Good maintenance (e.g. tire pressure)

Advanced Technology

- Aerodynamics
- Light weight
- Electrification
- Alternative fuels
- Advanced engine technologies
- Auxiliary Power Units (APUs)
- Fuel efficient tires
- Nitrogen filled tires
- Synthetic oils



Walmart's Advanced Equipment



Hybrids



Natural Gas



Advanced Systems



Biodiesel

ICR350 Engine vs. Alternatives

Superior Economics

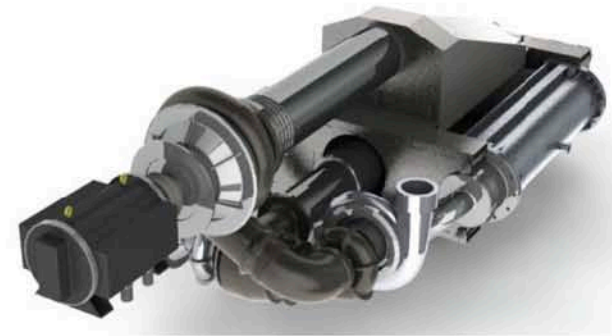
- Same or lower price
- 20% more efficient
- 50% size / weight
- Lower maintenance

Best Emissions

- Near zero emissions
- No after-treatment required
- No add-ons

Total Flexibility

- Multiple markets
- Any fuel
- Dual fuel switching



Challenges

1. Reducing Miles

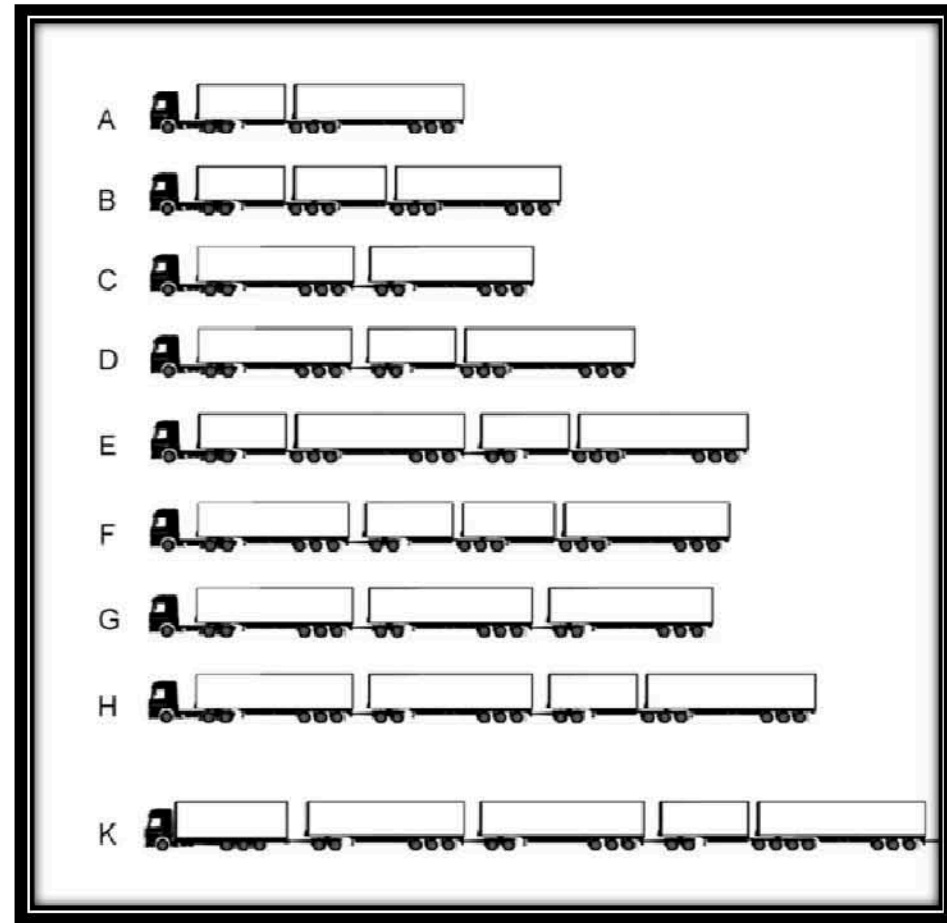
- Size and weight restrictions

2. Increasing Fuel Economy

- Resources
- Congestion
- Inconsistent state regulations
- One-size fits all regulations

3. Alternative Fuels

- No clear leader
- Need for new infrastructure
- Effects on MPG and maintenance



Achievements in 2010

- Increased efficiency from 2005 baseline by 65%
 - ✓ Delivered 57M more cases driving 35M less miles over 2009
 - ✓ At 2009 efficiency 49M miles were avoided
 - ✓ Efficiency saved almost \$81M
 - ✓ Avoided emitting almost 40,000 metric tons of CO₂ (~7700 cars)
- Comparison to 2005
 - ✓ Avoided over 300M miles and 680,000 metric tons CO₂ (~130,000 cars)
 - ✓ Saved over \$500M



Sharing our Learnings

By sharing our learnings, we can:

- Drive innovation
- Reduce the cost of new technologies
- Increase sustainable practices in all sectors

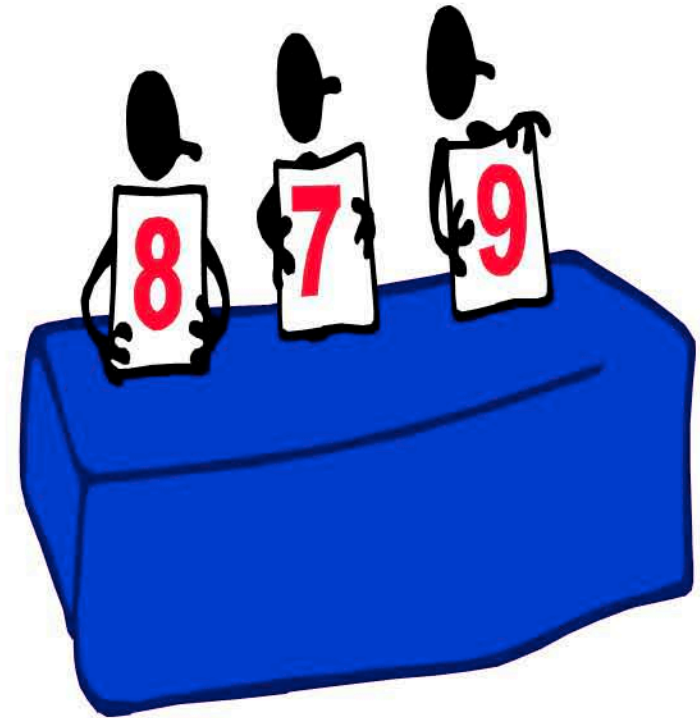


SmartWay Partnership

- Member since 2004
- Excellence Award Winner
- Consistent top score

Benefits:

- Consistent with Walmart direction
- Visibility to the efforts
- Benchmark to assess carrier efforts
- Benchmark to evaluate Walmart progress
- Foundation for technology assessment
- Avenue for industry collaboration



“[Our Next Generation Customers] don’t want to have to choose between products they can afford and products that mean a better life, like sustainably grown local fruits and vegetables. They **care about sustainability** and like that we do too...

They also have **higher expectations** for the role of business in solving problems. Only those businesses that **solve problems will earn trust.**”

Mike Duke
President and CEO
Walmart
Shareholders Meeting, 2011



Walmart
Save money. Live better.

